

MINUTES OF MEETING OF BOARD OF PUBLIC WORKS OF JANUARY 22ND, 1936.

The Board of Public Works met in the office of the State Treasurer, Annapolis, Maryland, on Wednesday, January 22nd, 1936, at twelve o'clock, noon.

Present -

Wm. S. Gordy, Jr., Comptroller.
Hooper S. Miles, Treasurer.

Note - Governor Nice was unable to be present because of illness.
Mr. William H. Blakeman, State Budget Director, attended the meeting.

The Board proceeded to open proposals for the Northern Central Railway Annuity in accordance with advertisements appearing in the Baltimore Sun and the Baltimore News and Post on December 27th, 28th and 30th, 1935, and January 3rd, 6th, 10th, 13th and 17th, 1936, as follows -

ADVERTISEMENT
STATE OF MARYLAND
TREASURY DEPARTMENT

SALE OF NORTHERN CENTRAL RAILWAY COMPANY ANNUITY

Pursuant to Chapter 106 of the Acts of the General Assembly of Maryland of 1935, and pursuant to a resolution of the Board of Public Works of Maryland passed on December 18th, 1935, and on file and open to inspection in the office of said Board in Annapolis, the Treasurer of the State of Maryland will receive bids for the annuity of ninety thousand dollars (\$90,000) created by virtue or in pursuance of the provisions of Chapter 260 of the Acts of the General Assembly of Maryland, passed at the January Session of 1854, dated January 27th, 1855, and payable quarterly by the Northern Central Railway Company to the State of Maryland.

The said bids must be delivered to the Treasurer of the State at his office in Annapolis, Maryland, before 12 o'clock noon on Wednesday, January 22nd, 1936. Each bid must be for cash on the date of transfer and shall obligate the bidder to pay in addition to the price bid, the amounts of such quarterly payments as may then be due and unpaid, and interest thereon, and the proportionate part of the accruing quarterly payment, calculated to the date of such transfer, and must be enclosed in a sealed envelope addressed on the outside "Bid for the Northern Central Railway Company Annuity". Each bid must be accompanied

by a certified check upon some responsible banking institution, drawn to the order of the Treasurer of Maryland for five per cent. of the bid. All bids will be opened at 12 o'clock noon on Wednesday, January 22nd, 1936, in the presence of the Board of Public Works.

On the opening of said bids, said annuity may be awarded by the said Board to the highest responsible bidder or bidders therefor for cash, and said Board reserves the right in its discretion to reject all bids or any bids.

Said Board shall reject any and all bids for any smaller or less sum of money than a sum equal to the capitalization of said annuity at the rate of 4 per centum, together with the amounts of such quarterly payments as may be due and unpaid, and interest thereon, and the proportionate part of the accruing quarterly payment, calculated to the date of transfer.

The Board of Public Works shall cause advertisements calling for bids to be published in two newspapers published in the City of Baltimore, in the editions appearing on December 27th, 28th and 30th, 1935, and January 3rd, 6th, 10th, 13th and 17th, 1936, that the Board will be in readiness to receive bids for said annuity at the time and place above mentioned.

The Board of Public Works shall execute such instruments as may be requisite or necessary to transfer to the purchaser or purchasers, its or their successor, successors or assigns (if such purchaser or purchasers be a body corporate or bodies corporate) or his, her or their executors, administrators or assigns (if such purchaser or purchasers be a natural person or persons) all and every, the rights, incidents, interests and estates now held or owned by the State of Maryland in said annuity and in the mortgage security thereof, and shall deliver the same upon receipt of the amount of the accepted bid, together with the amounts of such quarterly payments as may then be due and unpaid, and interest thereon, and the proportionate part of the accruing quarterly payment, calculated to the date of transfer,

If the successful bidder shall fail or neglect to make payment as aforesaid within sixty days from January 22nd, 1936, the Board of Public Works may, in its discretion, terminate the contract arising out of its acceptance of said bid, and in that event said bidder shall forfeit all rights under said contract and all rights to the deposit of five per centum accompanying said bid.

The Treasurer of the State shall credit all money received from the sale of said annuity to the annuity bond account and apply the same to the payment of the State debt, and to no other purpose whatever.

/s/ Harry W. Nice,
Governor

Wm. S. Gordy, Jr.,
State Comptroller

Hooper S. Miles,
Treasurer
Constituting the Board of
Public Works of Maryland.

The bid received was as follows -

Baker, Watts & Co.

Calvert & Redwood Sts.
Baltimore
January 22, 1936.

The Treasurer of the State of Maryland,
Annapolis, Md.

Dear Sir:-

For the Annuity of ninety thousand dollars (\$90,000.), created by virtue or in pursuance of the provisions of Chapter 260 of the Acts of the General Assembly of Maryland, passed at the January session of 1854, dated January 27, 1855, and payable quarterly by the Northern Central Railway Company to the State of Maryland, described in the official advertisement of the Board of Public Works of the State of Maryland, which advertisement is attached hereto and hereby made a part of this bid, we will pay the sum of \$2,337,900. and in addition the amounts of such quarterly payments as may be due and unpaid and interest thereon and the proportionate part of the accruing quarterly payment, calculated to the date of the transfer of the Annuity, provided, however, that the Annuity shall be delivered prior to March 20, 1936, accompanied by such instruments executed by the Board of Public Works as may be requisite or necessary to transfer to us, our successors and assigns, all and every, the rights, incidents, interests and estates now held or owned by the State of Maryland in said annuity and in the mortgage security thereof.

In accordance with the requirements of your advertisement, we enclose our certified check drawn to the order of the Treasurer of Maryland for \$116,895., being 5% of the bid.

Very truly yours,

KEAN, TAYLOR & CO.
BAKER, WATTS & CO.
TRAIL & MIDDENDORF, INC.

By: /s/ Kean, Taylor & Co.

After due consideration the following statement was prepared by the Board -

The Board of Public Works has unanimously agreed not to accept the offer made for the purchase of the Northern Central Railway Annuity. It is of course a known fact that the proceeds from the sale could only be used to retire the State debt, and as the offer is on practically a 3.85 basis, and State bonds could not be bought and retired on better than a 2.25 basis, due to the present money market the Board has concluded that this would not be a wise transaction. Aside from this conclusion the Board also feels that the offer does not represent the true worth of the Annuity.

In declining to accept this offer it does not mean that the

sale of the Annuity is permanently abandoned. The Board might think it wise at some future time to renew the offering of this security, or it is just possible that they might recommend some additional legislative authority that would make a sale more advantageous.

A delegation representing the Association for the Preservation of Arsenal and Maryland Line Confederate Soldiers Home, Inc., appeared before the Board in the interest of the property at Pikesville, Maryland, until recently used as a home for the Maryland Line Confederate Soldiers. Dr. William P. Wyse spoke in behalf of the aims and objects of the association, and asked the Board, if possible, to find some way of retaining the property and continuing it as a memorial, or shrine, or museum, and to cooperate with the association in its efforts to secure some funds from the Works Progress Administration to cover the cost of restoration of the property.

The Board stated that the property was under the supervision of the Military Department and that any application to the Works Progress Administration for funds would have to be fostered by Adjutant General Milton A. Reckord. The delegation was advised that in the event General Reckord were willing to make application for funds, there would be no objection arising from the Board to the action taken by the Military Department in the matter.

The following letter from Rosewood State Training School was read and considered -

ROSEWOOD STATE TRAINING SCHOOL
OWINGS MILLS MD.

January 20, 1936.

The Board of Public Works,
State of Maryland,
Annapolis, Maryland.

Gentlemen:-

At the direction of the Board of Visitors of the Rosewood State Training School at a meeting of their Executive Committee on January 20th, 1936, I am submitting the following communication in reference to proposed additions and alterations to the power plant at this institution.

At a meeting of the Board of Public Works on May 8th, 1935 your Board allocated to the Rosewood State Training School the sum of \$65,000 for the above mentioned purpose. Pursuant to the discussion at this meeting the Board of Visitors at Rosewood at their meeting on June 8, 1935 directed me to make an application to the Federal Public Works Administration for a grant of funds to be used in carrying on the proposed work. They directed me further to take up the matter with Mr. H. P. Hopkins, architect, and Mr. J. L. Eiser, mechanical engineer, who had done similar work at this institution in the past, with the idea of working out plans and making prints and estimates required in the submission of the application for a grant of Federal funds.

Mr. Hopkins and Mr. Eiser made the necessary studies and furnished plans and estimates needed in the above procedure. This first application to the P.W.A. was rejected. A second, application was submitted with revised plans and estimates but this was not acted upon, due as was stated to a lack of Federal funds for the purpose.

Because of the above mentioned facts and because the situation at Rosewood is urgent, on December 13, 1935 at the direction of our Board of Visitors I wrote to the Board of Public Works requesting that your Board grant us authority to proceed with the work under the sum of \$65,000 originally allocated to this institution for the purpose. Under letter from your Board of December 23, 1935 you state that the Governor would like Mr. Elmer Hammond, State Engineer, to inspect our plant and report on it before acting on our request to proceed with the work.

Mr. Hammond has inspected our plant; and at the present time he has men here making a lay-out of what we have. He further has talked to me several times about various ideas he has in mind as to a proper way these alterations and additions should be done. On January 18 he gave me verbally a fairly comprehensive general plan that he would like to see carried out. Our Board though has not had before it Mr. Hammond's plan for this work and are hoping that he will supply them with detailed prints for their consideration, particularly in view of the fact that Mr. Hammond stated to me on January 18 that he proposed that his staff, supplemented by any assistance that he might need, would proceed with the preparation of plans and specifications, solicit bids and supervise the work to its completion.

Our Board will be glad to have Mr. Hammond submit detailed plans and specifications or give them any information or advice he cares to present for their consideration. This Board, however, understands that it is definitely their duty to decide what plan should be selected from any or all schemes that may be presented to it and should also decide the manner in which this work should be prosecuted after a plan has been approved by the Board of Public Works.

If this is not in accord with any opinion that you may have in the matter, as to how this proposition should be handled, we would be glad to have you advise us further as to how we should proceed.

The Board at Rosewood desires to state that at this time they are committed to no definite plan, that they are concerned only in getting all proposals before them for consideration, with

the end in view that we may decide on a plan that will give us a power plant that meets our present needs, gives due consideration for the future, that the work be done as expeditiously and economically as possible and that we have available the sum of \$65,000 to carry on the work

Very respectfully yours,

/s/ K. B. Jones

Superintendent.

After due consideration of the matter of the matter, the Board was of the opinion that the Rosewood State Training School should proceed in accordance with its best judgment in the matter of preparation of plans and specifications for the work to be done at the Power House at the Institution for which the Board of Public Works made an allotment of \$65,000.00 at its meeting of May 8th, 1935.

Mr. Blakeman took up with the Board the question of the employment of a night watchman at the Mansion to protect the property after the general contractor would withdraw his watchmen from the premises.

The Board approved the employment of a night watchman at the rate of \$60.00 per month for approximately two months, payment to be made out of the Contingent Fund of the Board.

Mr. Blakeman took up with the Board the physical condition of one of the buildings at the State Tobacco Warehouse, reporting that the building was unsafe and was liable to cause some trouble in the event of a collapse of the walls.

Mr. Blakeman stated that these walls could be tied in with iron rods at a cost of about \$600.00, and that he had been assured by Mr. Hammond, State Engineer, that this would remove the hazard which exists at the present time, at least until such time as some further consideration could be given to reconstruction of the building.

The Board authorized the work as outlined by Mr. Blakeman at a cost of approximately \$600.00 , payment to be made from the Budget of the State Tobacco Warehouse, the Governor to amend the Budget if necessary.

The Secretary brought to the attention of the Board several bills for expenses covering advertising incurred in connection with the proposed sale of the Northern Central Railway Annuity. Payment of these bills was authorized, chargeable to the Contingent Fund of the Board.

The Comptroller brought to the attention of the Board the fact that it has been impossible to effect collection of certain taxes due the State by gasoline dealers, these taxes having accrued prior to the time when the State ^{was} authorized to require such dealers to file bonds covering their liability to the State for the taxes.

The Board approved the recommendation of the Comptroller that these accounts be written off the books as uncollectible -

Accounts to be written off

Weldon R. Fisher.....	\$ 776.48
R.D. Owens.....	108.04
Ralph Oil Company.....	1858.00
J. M. Richardson.....	581.44
Terminal Oil Stations.....	1156.64
F. G. Jump.....	389.40
Taylor Oil Company.....	5811.82

At the request of Mr. Blakeman a letter addressed to the Board by Mr. Benson, relative to the salary of the State Auditor, was turned over to him, the Board approving the request.

The resolution heretofore offered by Mr. Miles, with reference to Budget matters, was brought up for consideration, but because of the absence of the Governor, action on the resolution was deferred until such time as the Governor would be able to attend a meeting of the Board.

The following letter from the office of the Secretary of State was read and considered -

EXECUTIVE DEPARTMENT
Annapolis, Maryland.
January 14, 1936.

Mr. Joseph O. McCusker, Secretary,
Board of Public Works,
Annapolis, Maryland.

Dear Mr. McCusker:

I spoke to you sometime ago over the telephone about the 1936 edition of the Election Laws. I do not see any appropriation under the Department of the Secretary of State to pay for this publication. Heretofore the amount has been \$2500 and it would take about that amount to publish the 1936 Election Laws.

I suggest that you look at Article 33, Section 131 of the Code, which has something to do with this matter.

I am enclosing copies of letters from Mr. Albrecht, President of the Board of Supervisors of Elections of Baltimore City; Mr. Spencer, the Chief Clerk of that office, and Meyer & Thalheimer, and suggest that you take the matter up with the Board of Public Works at the first opportunity and advise me in order that I may communicate with the various Board of Supervisors of Elections of the State and get the exact number of copies that they need, and make arrangements for the printing of the Laws and be ready to send out the copies, which you, of course, know will have to be done within the next sixty days.

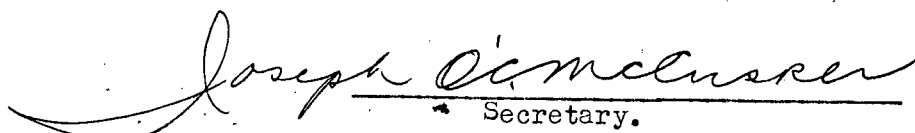
Yours very truly,

/s/ Murray G. Hooper,
Chief Clerk.

H:K
Encl.

The Board approved the allocation of \$2,500.00 from the 1936 Emergency Reserve Fund to the Budget of the Secretary of State for the purpose of taking care of the cost of printing the election laws.

There being no further business the meeting adjourned.


Secretary.